OFFICE OF THE GOVERNOR

OFFICE OF WORKFORCE DEVELOPMENT

BOB RILEY
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DR. TIM ALFORD
DIRECTOR

## STATE OF ALABAMA

March 21, 2005

Ms. Christine Kulick USDOL/ETA Office of Workforce Investment Division of One-Stop Operations, Room S4231 200 Constitution Avenue, NW Washington, D.C. 20210

Dear Ms. Kulick:

SUBJECT: Request for Waiver of 20 CFR665.320(d)(2)

The WIA regulations, at 20 CFR661.400(b), indicate "...a waiver may be requested to address impediments to the implementation of a strategic plan, ...consistent with the key reform principles of WIA. These key reform principles include: 1) Streamlining services and information to participants through a One-Stop delivery system..."

The State of Alabama requests a waiver of 20 CFR665.320(d)(2) to allow the transfer of up to 50 percent of funds set aside for WIA Section 133(a)(2) Statewide Rapid Response activities to the Governor's Reserve funds. This transfer ability would be analogous, at the State level, to the ability of local areas to transfer between adult and dislocated worker funds.

The transfer would enable the State to channel additional funding toward Statewide 15 Percent Incumbent Worker programs. Reduced available funding for Section 133(a)(2) Rapid Response activities would not adversely affect State/local area Worker Dislocation Response capabilities.

The opportunity to accelerate Incumbent Worker Training activity funding, however, would be of considerable potential benefit to those Alabama employers in urgent need of more highly skilled employees in order to effectively compete in today's marketplace. Without such funding assistance, many of these employers might well succumb to such competitive pressures. The jobs these employers provide our workers would be lost.

Suspension or elimination of the existing regulatory barriers associated with Section 133(a)(2) funds would certainly bring increased levels of WIA fund utilization, and, in turn, a higher "return" on the taxpayers "investment" of USDOL funds.

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The State of Alabama is therefore requesting to waive for Program Year 2005 applicable provisions of 20 CFR661.400(b). We believe that approval of this waiver is consistent with provisions of the current WIA Reauthorization legislation being considered by the Bush Administration and Congress.

Your time and attention to this request is greatly appreciated. Please call Bill Hornsby, Supervisor, Workforce Development Division, State Programs and Divisional Budget Management Section at (334) 242-5847 with any questions.

Sincerely,

Tim Alford, Director

Office of Workforce Development

TA:CWT:cwt

pc:

Dr. Helen Parker Ms. Elaine Phillips